THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) The present installed and approved capacities for the manufacture of tyres for commercial vehicles is considered adequate to meet the demand for such tyres.

(b) and (c) The Tyre Corporation of India Ltd., the only central public sector undertaking engaged in the manufacture of automobile tyres and tubes, has submitted a proposal for manufacture of 5 lakh nos. of automobile tyres and tubes per annum.

**Assistance to small scale units in Punjab**

3089. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that a large number of small scale units have been set up by the Government of Punjab since the promulgation of the President's rules there; and

(b) if so, how much assistance the Central Government have given to the Punjab Government for the said purpose?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) As per information furnished by the State Government of Punjab, 7208 small scale industrial (SSI) units have come up during the 7 months May to November, 1987.

(b) As per information furnished by the State Government of Punjab, Central investment subsidy amounting to Rs. 37 lakhs has been disbursed to 74 eligible small scale units, during the same period.

Besides Central assistance was given to the Punjab Government for implementing two Plan Schemes of Small Industries Development Organisation (SIDO), namely, the centrally sponsored District Industries Centre (DIC) Programme (with matching share of Centre and State) and the Central Plan Scheme (with 100 per cent central assistance to the States) for collection of statistics for which amount of Rs. 38 lakhs (Rs. 26 lakhs as grants and Rs. 12 lakhs as loan) and Rs. 2 lakhs respectively were given during the same period.

Two other projects being implemented by SIDO, namely, Central Institute for Hand Tools, Jalandhar and Central Tool Room, Ludhiana in Punjab also benefit SSI units Central assistance have been given to these projects amounting to Rs. 19 lakhs and Rs. 52 lakhs respectively during the same period.

**Grants of letters of intent for Punjab**

3090 SHRI HARVENDRA SINGH HANSPAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether a large number of cases for the grant of letters of intent have been recommended by the Punjab Government to the Central Government;

(b) whether it is a fact that only 38 letters of intent have been issued by the Central Government and the remaining cases are lying pending with the Central Government; and

(c) by when the pending cases for the grant of letters of intent are likely to be cleared by the Central Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) All applications received for grant of letters of intent/industrial licences under the provisions of the Industries (Development and Regulation) Act, including those from Punjab are considered on merits taking into account various techno-economic factors, such as demand and supply, capacity already approved in the proposed line of manufacture, availability of raw materials, export potential and locational constraints and also the views of the State Governments concerned.

(b) During the years 1984 to 1987 (upto October), the following number

of letters of intent have been granted for setting up of industries in Punjab:—

| Year | No. of letter of intent granted |
|---|---|
| 1984 | 44 |
| 1985 | 57 |
| 1986 | 47 |
| 1987 (upto Oct.) | 31 |

(c) As on 30-11-87, a total of 39 Industrial Licence applications received for grant of letters of intent for setting up industries in Punjab were at various stages of processing. All efforts are made to dispose of such applications as expeditiously as possible.

**Punjab Agro Industries tie up with Voltas**

3091. SHRI DHARAM CHANDER PRASHANT: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Punjab Agro Inoustries has a tie up with Voltas,

(b) whether this tie up attracts MRTP clearance since Voltas is a MRTP Company; and

(c) if not, what are the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) The Punjab Agro Industries Corporation, holding company of Agro Foods Punjab Limited (previously named as Punjab Agro Fruits and Vegetable Products Limited) had transferred a portion of its holding in the said company to M/s. Voltas Limited etc. before the introduction of Section 30-B of the MRTP Act. Subsequently, a request for issue of additional equity shares on Rights Basis in Agro Foods Punjab Limited to M/s Voltas Limited, etc., to meet the requirements of additional funds was approved by Government under sub-section (1) of Section 30-B of that Act.

**Joint Ventures Company**

3092. SHRI JITENDRABHAI LABHSHANKER BHATT:
SHRI CHIMANBHAI MEHTA:

Will the Minister of INDUSTRY be pleased to refer to the answer to Starred Question 238 given in the Rajya Sabha on the 23rd November, 1987 and state:

(a) what are the details of the Government advice to six public enterprises for formation of a joint venture company in India for rendering specialised management and technological services to them;

(b) what is the capital structure of the joint venture company, i.e. Indian holdings and holdings from abroad or NRI holdings; and

(c) what is the progress regarding the formation of the joint venture company till date?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) The six public sector enterprises (PSEs) have been advised to participate in the formation of a Joint Venture Company (JVC) with the NRI American Company. These PSEs have also been advised to adopt a case by case approach, for grant of contracts to JVC when formed, instead of determining JVC's scope of service before hand. There should not be any price preference for the JVC.

(b) The authorised capital of the JVC would be Rs. 25 lakhs and the subscribed capital would be Rs. 20 lakhs. The equity holding of the JVC would be on the basis of 51 per cent by the NRI American company and 49 per cent by the 6 PSEs to be shared equally.

(c) The NRI American Company has already got incorporated a company by name 'Management and Technology Applications (India) Ltd.' on 20 7-1987. The various formalities involved in the PSEs joining the JVC are under process.